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USWEST

Lawrence E. Serjeant Vice President -Federal Regulatory DOCKET FILE COPY ORIGINAL

March 7, 1996

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EX PARTE PRESENTATION

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF SECRETARY

Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

RE:

CC Docket Nos. 95-185, 94-54, 91-346, and 94-1; PP Docket No. 93-253; and Gen Docket No. 90-314

Dear Mr. Caton:

Attached hereto are two copies of a letter that was delivered today to Chairman Reed E. Hundt from Solomon D. Trujillo, President and CEO, U S WEST, Communications, Inc., concerning the above-referenced proceedings. Copies of the letter were also delivered to those indicated at the bottom of the letter.

In accordance with Commission Rule 1.1206(a)(1), two copies of the letter are being filed with you for inclusion in the public record. Acknowledgment and date of receipt are requested. A copy of this transmittal letter is provided for this purpose. Please contact me if you have questions.

Sincerely,

Attachments

cc: Chairman Reed E. Hundt

Commissioner James Quello Commissioner Andrew Barrett Commissioner Rachelle Chong Commissioner Susan Ness

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Robert Pepper Michele Farquhar Regina Keeney U S WEST Communications, Inc. 1801 California Street Room 5200 Denver, Colorado 80202 303 896-2022 FAX 303 965-2484

Solomon D. Trujillo
President & Chief Executive Officer



March 7, 1996

EX PARTE

Chairman Reed E. Hundt Federal Communications Commission 1919 M Street, NW, Rm. 814 Washington, D.C. 20554

Re: CC Docket Nos. 95-185, 94-54, 91-346, and 94-1;

PP Docket No. 93-253; and Gen. Docket No. 90-314

Dear Chairman Hundt:

I have appreciated the opportunity to share U S WEST Communications' views on a number of important regulatory issues with you in the past and wish to take this opportunity to continue our dialogue.

There has been much debate recently concerning how the FCC should direct its resources as it confronts the implementation of the Telecommunications Act of 1996. I appreciate that the FCC will be challenged in 1996 in matching resources to the demands placed upon it. I believe, though, that the FCC is up to the task if it can focus its resources on those matters mandated by the 1996 Act and a few other dockets that are important for the adoption of fair and comprehensive rules — competitively neutral rules that are calculated to open communications markets to all who are willing to compete and do so without causing harm to customers.

It goes without saying that the FCC must begin and complete the proceedings mandated by the 1996 Act within the required time frames. U S WEST Communications looks forward to participating in those proceedings.

There are other proceedings, though, that the FCC has in progress or which it has contemplated that are equally important in furthering the goal of opening all communications markets and ultimately replacing regulation with competition. Two of uppermost importance to U S WEST Communications are access charge reform and the PCS D and E block auctions.

As you and other FCC commissioners have observed, today's interstate access charge rate structure must be brought in line with today's competitive access market and the emerging competitive local exchange market. The issue of an economically rational rate structure for the recovery of the carrier common line charge and the transport interconnection charge, as well as correcting pricing anomalies such as the enhanced services provider exemption, must be addressed in the near term. It is a matter of fundamental equity that access charge

Chairman Reed E. Hundt March 7, 1996 Page 2

reform be accomplished at the same time the FCC addresses local interconnection standards as mandated by the 1996 Act. The transition to fully competitive markets must be accomplished in a balanced and fair manner. Access reform for local exchange providers is a corresponding imperative to interconnection for alternative local exchange carriers.

Proceeding with the D and E block auctions will provide opportunities to secure spectrum by those that have been unable to secure PCS spectrum in the A, B or C block auctions. With advancements in wireless technology, these 10 MHz blocks of spectrum offer the potential for increased CMRS competition and fixed wireless loop applications. The FCC should not delay making the spectrum available for those ready to use it.

I encourage the FCC to free resources for an access reform proceeding and the proceedings requiring completion in advance of the D and E auctions by terminating certain proceedings that are duplicative of proceedings to be conducted pursuant to the 1996 Act. Both the wireless to wireline interconnection proceeding (CC Docket Nos. 95-185 and 94-54) and the advanced intelligent network proceeding (CC Docket No. 91-346) address matters that should be considered when the FCC addresses interconnection and unbundling rules under Section 251 of the 1996 Act. Additionally, price cap proceeding CC Docket No. 94-1 should be suspended. The interim price cap plan should be extended for a year thereby freeing resources for the immediate commencement of an access reform proceeding.

Finally, I am pleased to see the release of a notice of inquiry on Improving Commission Processes, PP Docket No. 96-17. One process that should be substantially streamlined immediately is the FCC review of local exchange sales. Considering the FCC safeguards that are in place (cap on the Universal Service Fund and the one percent annual sales impact cap) and the state review required before the FCC will accept LEC filings, FCC review should be limited and expeditious, taking a matter of days rather than months as is the case. Streamlining this process could also free resources for other tasks.

Mr. Chairman, thank you for your time and consideration.

Sincerely,

cc: Commissioner James Ouello

Commissioner Andrew Barrett Commissioner Rachelle Chong

Se Injulian

Commissioner Susan Ness

Robert Pepper Michele Farquhar

Regina Keeney